

Introduced by Senator Negrete McLeod

February 27, 2009

An act relating to horse racing.

LEGISLATIVE COUNSEL'S DIGEST

SB 766, as introduced, Negrete McLeod. Horse racing.

Existing law, the Horse Racing Law, generally regulates horse racing and parimutuel wagering on horse races. Existing law requires various deductions and distributions to be made from parimutuel pools as specified.

This bill would express the Legislature's findings and declarations regarding the threat to the horse racing industry in California due to escalating costs. The bill would declare the intent of the Legislature to enact legislation to deduct an additional percentage of the total amount handled in parimutuel pools of thoroughbred horse races, to establish a joint powers agency to collect that additional money and issue bonds, and to use the money primarily for capital improvement financing.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Legislature finds and declares all of the
- 2 following:
- 3 (1) The existence of high caliber thoroughbred horse racing in
- 4 California is important to the state's agricultural economy.
- 5 (2) The California horse racing industry is being threatened by
- 6 the escalating costs of doing business in California, including, but
- 7 not limited to, workers' compensation insurance costs. These costs

1 are not only causing thoroughbred horses and trainers to leave the
2 state, but are also discouraging owners and trainers from bringing
3 horses into this state to compete.

4 (b) It is therefore the intent of the Legislature to provide some
5 relief from these escalating costs through the redistribution of the
6 parimutuel handle on wagers.

7 (c) In this regard, it is the intent of the Legislature to enact
8 legislation that would do all of the following:

9 (1) Deduct an additional percentage of the total amount handled
10 in all parimutuel pools of thoroughbred races run in California.

11 (2) Establish a joint powers agency to collect and distribute the
12 money accumulated pursuant to paragraph (1), to issue bonds, and
13 to be accountable to the California Horse Racing Board for the
14 use of those funds.

15 (3) Use the money collected pursuant to paragraph (1) primarily
16 for the financing of capital improvements to provide adequate
17 stabling and training facilities for thoroughbred horses, and
18 secondarily to supplement the costs of workers' compensation
19 insurance incurred in connection with thoroughbred horse racing.